

AMENDED IN ASSEMBLY MAY 7, 2003

AMENDED IN ASSEMBLY APRIL 23, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1453

**Introduced by Assembly ~~Member Parra~~ Members *Parra, Berg,*
*and Daucher***

February 21, 2003

~~An act to add Section 1569.6 to the Health and Safety Code, relating to health facilities. An act relating to long-term care.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1453, as amended, Parra. ~~Residential care facilities for the elderly~~ *Long-term care: resources.*

Existing law establishes a variety of programs relating to long-term care services, including the licensure and regulation of community care facilities and residential care facilities for the elderly by the State Department of Social Services, the licensure of nursing facilities by the State Department of Health Services, and the provision of in-home and community-based services.

This bill would require the California Health and Human Services Agency to submit to the Legislature, by January 1, 2005, a report containing recommendations regarding the application of a "Money Follows the Individual" program that would provide resources for individuals in need of long-term care to exercise choice in determining the type of long-term care setting that best fits their needs, to reside in the community, rather than in institutions, and to receive community-based services.

~~Existing law prohibits a person or business, generally, from operating a residential care facility for the elderly without a current valid license from the State Department of Social Services, and regulates the operation of these facilities. Violation of these provisions is a crime.~~

~~This bill would require a licensee under these provisions to annually notify patients and patient representatives regarding all of the levels of care increases and their corresponding costs for which patients may potentially be charged additional fees. By creating a new crime, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: *yes no*.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 1569.6 is added to the Health and Safety~~
- 2 *SECTION 1. The Legislature finds and declares all of the*
- 3 *following:*
- 4 *(a) In April 2003, the California Health and Human Services*
- 5 *Agency submitted its Olmstead Plan that describes the actions that*
- 6 *California can take to improve its long-term care system so that its*
- 7 *residents have available an array of community care options that*
- 8 *allow them to avoid unnecessary institutionalization.*
- 9 *(b) One component of California's Olmstead Plan is a policy*
- 10 *goal to develop a "Money Follows the Individual" model to*
- 11 *provide resources for individuals to live in the community, rather*
- 12 *than in an institution.*
- 13 *(c) Texas and other states have adopted a "Money Follows the*
- 14 *Individual" model, which provides purchasing credits for*
- 15 *individuals currently residing in nursing facilities in order to give*
- 16 *them the choice to move to community-based facilities, including*
- 17 *residential care facilities for the elderly, and to receive*
- 18 *community-based services.*
- 19 *(d) Through the use of purchasing credits, consumers are able*
- 20 *to exercise choice in determining which setting best fits their needs.*



1 *SEC. 2. It is the intent of the Legislature to enact legislation*
2 *to do both of the following:*

3 *(a) Require the development of options that would allow*
4 *seniors and persons with disabilities maximum choice in*
5 *determining their living arrangements, including the choice to*
6 *remain in the least restrictive and most homelike environment as*
7 *they age or become frail, in response to the decision of the United*
8 *States Supreme Court in Olmstead v. L. C. by Zimring (1999) 527*
9 *U.S. 581.*

10 *(b) Ensure that seniors and persons with disabilities have*
11 *access to appropriate health care and personal assistance,*
12 *regardless of their income level, health status, or choice of housing*
13 *arrangement.*

14 *SEC. 3. By January 1, 2005, the California Health and*
15 *Human Services Agency shall submit to the Legislature a report*
16 *containing recommendations regarding the application of a*
17 *“Money Follows the Individual” program that would provide*
18 *resources for individuals in need of long-term care in order to*
19 *exercise choice in determining the type of long-term care setting*
20 *that best fits their needs, to reside in the community, rather than in*
21 *institutions, and to receive community-based services.*

22 ~~Code, to read:~~

23 ~~1569.6. A licensee under this chapter shall provide, on an~~
24 ~~annual basis, a written notification to patients and patient~~
25 ~~representatives outlining all of the level of care increases and their~~
26 ~~corresponding costs for which patients may potentially be charged~~
27 ~~additional fees.~~

28 ~~SEC. 2. No reimbursement is required by this act pursuant to~~
29 ~~Section 6 of Article XIII B of the California Constitution because~~
30 ~~the only costs that may be incurred by a local agency or school~~
31 ~~district will be incurred because this act creates a new crime or~~
32 ~~infraction, eliminates a crime or infraction, or changes the penalty~~
33 ~~for a crime or infraction, within the meaning of Section 17556 of~~
34 ~~the Government Code, or changes the definition of a crime within~~
35 ~~the meaning of Section 6 of Article XIII B of the California~~
36 ~~Constitution.~~